GOVERNMENT OF INDIA
PLANNING
LOK SABHA

STARRED QUESTION NO:535
ANSWERED ON:30.04.2008
PRIVATE SECTOR INVESTMENT IN PROFESSIONAL INSTITUTIONS
Owaisi Shri Asaduddin

Will the Minister of PLANNING be pleased to state:

(a) whether the Government proposes to allow private sector investment in institutions imparting professional education;

(b) if so, the details thereof and the reasons therefor; and

(c) the benefits that are likely to accrue as a result thereof ?

Answer

MINISTER OF STATE IN THE MINISTRY OF PLANNING AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS(SHRI V.NARAYANASAMY)

(a) to (c): A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PART (a) TO (c) OF LOK SABHA STARRED QUESTION NO. 535 BY SHRI ASADUDDIN OWAISI FOR ANSWER ON 30.4.2008 REGARDING PRIVATE SECTOR INVESTMENT IN PROFESSIONAL INSTITUTIONS

(a) to (c): NDC approved Eleventh Plan document states that "Expansion, inclusion and rapid improvement in quality throughout the higher and technical education system by enhancing public spending, encouraging private initiatives and initiating the long overdue major institutional and policy reforms will form the core of the Eleventh plan effort". The long term goal is to set India as a nation in which all those who aspire to good quality higher education can access it, irrespective of their paying capacity.

2. During the Eleventh Plan, intake of technical education institutions need to grow at an estimated 15% annually, to meet the skilled manpower needs of our growing economy. Such expansion in intake capacity cannot be achieved through public investment alone . Infact, during the Tenth Plan the share of private un-aided higher education institutions increased from 42.6 % in 2001 to 63.21 % in 2006. The share of enrolment also increased from 32.89% to 51.53 % in the same period. The trend is likely to continue in the XI Plan. Out of 5067 degree level institutions approved by AICTE, 4479 are private institutions.

3. Private sector investment in institutions imparting professional education is currently allowed and during the last few years it has substantially increased. We expect the same trend to continue. It is not possible to give any precise projection of the quantum of likely investment in the eleventh plan.

4. Past experience shows that private initiatives have been responsible for setting up of some first rate institutions: viz. TIFR, Mumbai; Viswa-Bharati University, Santiniketan,; Xavier Labour Relations Institute(XLRI), Jamshedpur; Birla Institute of Technology & Science, (BITS), Pilani; Tata Institute of Social Sciences (TISS), Mumbai; International Institute of Information Technology (IIIT), Hyderabad; Vidyanagari in Baramati.